

Last week, General Motors finally declared bankruptcy. Many in government thought \$20 billion in taxpayer dollars would save the company, but as predicted, it only postponed the inevitable.

The government will dump another \$30 billion into GM and take a 60 percent controlling interest for it.

Public officials are now involving themselves in tactical business decisions such as where GM's headquarters should move and what kind of cars it will build.

The promise that this is temporary and will eventually be profitable is supposed to ease the American people into accepting this arrangement, but it is of little comfort to those who remember similar promises when the American taxpayers bought Amtrak. After three years, government was supposed to be out of the passenger rail business. 40 years and billions of dollars later, the government is still operating Amtrak at a loss, despite the fact that they have created a monopoly by making it illegal to compete with Amtrak.

Imagine what they can now do to what is left of the great American auto industry!

In a truly free market, GM would get your money one way and one way only – by selling you a car you want, at a price you are willing to pay. Instead, the government is giving public money to a private company in spite of the market signals it has been sending.

Throwing money at GM does not stop it from being an engine of wealth destruction; on the contrary, it simply gives it more wealth to destroy.

Had it been allowed to fail naturally, the profitable pieces of GM would have been bought up and put to good use by now. The laid off employees would likely have found new jobs and all that capital would be in private hands, reinvested in companies that produce products demanded by consumers.

Instead, we are all poorer now.

Political pressure, rather than the rule of law, is deciding how to divide up the remains of GM. The bondholders had billions in retirement savings invested in the company, and though they were entitled to nearly three times as much as the United Auto Workers, the bondholders were left with just a 10 percent stake compared to the union's 17.5 percent stake. For their 60 percent stake, taxpayers have a future of constant bailouts to look forward to.

Comingling public control of private business is known as fascism. While today's politicians may feel emboldened with all their new power, history will only repeat itself as all this

collapses on itself.

It is the height of hubris for bureaucrats and politicians to attempt to control the market and the freewill of the American people.

In the end, the market always wins out.

Maybe one day future generations will wise up and allow free markets to function and thrive without the albatross of government around its neck.

For now, it looks like those in charge have not learned the lessons of the

past, and have doomed us to repeat those mistakes once again.